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C O N F I D E N T I A L TEGUCIGALPA 000567

E.O. 12958: DECL: 06/06/2018

TAGS: <u>PGOV PREL</u> <u>ECPS EPET EAIR HO</u>
SUBJECT: DEPUTY SECRETARY'S MEETING WITH PRESIDENT OF

CONGRESS MICHELETTI

REF: TEGUCIGALPA 527

Classified By: Amb. Charles Ford, E.O. 12958 reasons 1.4(b) and (d)

- 11. (C) Summary: In a meeting with Deputy Secretary Negroponte June 5, Roberto Micheletti, who is a leading candidate for the Liberal Party nomination to succeed Manuel Zelaya as President next year, expressed considerable anxiety about the current state of affairs in Honduras. He was clear in expressing his belief that President Zelaya would try every way possible to extend his term in office. He was also worried about crime and corruption, Zelaya's flirtations with Venezuela's Hugo Chavez and public attacks on democratic institutions and the private sector. The Deputy Secretary stressed the importance of leadership in the fight against organized crime in the region and on defending Honduran democracy. End Summary.
- 12. (C) Micheletti, President (speaker) of the Honduran National Congress, met with the Deputy Secretary for half an hour at the Ambassador's residence June 5. The Ambassador, the DCM and WHA A/S Tom Shannon also participated.
- 13. (C) Micheletti questioned the wisdom of indebting the country to Venezuelan President Hugo Chavez for Petrocaribe fuel (Note: The first tanker arrived to great fanfare later that day. End Note) and suggested that Venezuela might be funding television ads Zelaya's "Poder Ciudadano" movement has been running attacking the Supreme Court, the private sector and anyone of other than modest means. Such propaganda, he said, was undermining respect for democratic institutions and destroying the climate for investment in Honduras. He also indicated in no uncertain terms that Zelaya was trying to find ways to remain in power after the end of his term (the Constitution does not permit reelection).
- 14. (C) Similarly, Micheletti surmised that Zelaya was using the May 30 crash of Taca flight 390 at Tegucigalpa's Toncontin Airport as an excuse to expel U.S. forces from the military airfield at Palmerola (Soto Cano), which Zelaya proposes to convert into a commercial airport to replace Toncontin within 60 days (reftel). Micheletti, expressing his friendship for the United States, was troubled by Zelaya's decision. Later that same day the Congress passed a non-binding resolution urging the President to re-open the airport in Tegucigalpa. (Note: Over the weekend, Micheletti said he would have to "reconsider" his support for Zelaya's airport plan. End Note)
- 15. (C) The Deputy Secretary inquired about corruption in general and the problems at the National Registry of Persons (RNP) in particular. Micheletti noted that Congress had passed a law to reorganize and professionalize the RNP but Zelaya had not signed it. It was eventually published in mid-May and hopefully will allow the RNP to be re-organized and professionalized. More than 40 pieces of legislation

passed by Congress had not been signed by the President, including a law to investigate the Public Ministry that was part of the agreement that ended the recent hunger strike by prosecutors (he signed the companion bill to investigate the Attorney General within four hours).

- 16. (C) Micheletti also referred to ongoing problems at the state phone company, Hondutel, which was the subject of an intense political struggle between Micheletti and Zelaya last year. Micheletti said Hondutel was practically dead, drained by graft despite the sky-high international phone rates it continues to charge. But legislation to transform Hondutel and the telecom regulatory commission CONATEL remains bottled up in Congress due to pressure from Zelaya not to go forward.
- 17. (C) Concerning the controversy over the hunger-striking prosecutors, Micheletti said the Congressional investigation would likely conclude that there was no inappropriate intervention by the Attorney General with respect to the corruption cases that were the stated rationale for the strike. He said that conclusion might be difficult to sell poltically but he was prepared to face the pressure. Later that day, the Congress approved the conclusion that nothing wrong had been done.
- 18. (C) Micheletti said he was worried that the GOH did not seem to be paying attention to narco-trafficking or money laundering. The Mosquitia in particular lacked sufficient police or military presence to address the problem, he said. The Deputy Secretary called for leadership throughout the region to combat organized crime, citing the positive example of President Uribe in Colombia.
- 19. (C) Concerning whether Vice President Elvin Santos would be cleared to run against Micheletti for the Liberal Party nomination, Micheletti said the Constitution was clear on the subject -- Santos cannot run. He predicted the Supreme Court would rule as such soon, in response to which he expected Zelaya to send mobs into the street to attempt to provoke a crisis. This would initiate a crisis that could lead eventually to a national emergency with Mel staying in power beyond his four year term.
- $\P 10.$  (U) This message was cleared with the Deputy Secretary's staff.

FORD